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435 434 633 established within the Council's administration. Those found infringing the regulations were given opportunity to show cause why they should not be penalised and thereafter, if found guilty, were given an option of having their licences withdrawn, their premises closed, or making a money payment. Most chose the last-named course.

The machinery worked well and justly, but was an instrument of enforcement only. If initial policies were not well based, failure to control could not be laid at the door of the enforcement office. The weakness of the whole of the Council's efforts at price control was that in practice the Council could attempt the enforcement of prices at retail only. It had actually obtained an alteration to Bye-law 51 to permit it to control wholesale prices, but in fact control of prices of all commodities in wholesale quantities was in the hands of the Japanese authorities, chiefly the Asia Development Board, the economic organ of the army. Without ability to control wholesale prices, control at retail was ineffective to influence sufficiently the cost of the people's living.

434 633 252 When rationing was instituted, the average ration of rice was 1½ *shun* per person per week. For workers in municipal and public utility enterprises a total ration of 4½ *shun* per week was allowed, and for those in other industrial enterprises, 1½ *shun* per worker in addition to the ordinary civilian ration. The normal civilian consumption of rice was thus cut by about three-fifths, according to figures of consumption obtained in standard of living studies. As a compensation a flour ration considerably larger than the usual flour consumption was given. The people did not, however, take up this large flour ration. Flour is a product which requires the possession of cooking facilities to deal with it. Few simple Chinese households have anything more to cook with than a stove some eight inches in diameter, of earthenware usually, in which an open coal briquette fire can be built. Rice can be boiled on this, but flour cannot easily be cooked on it. Noodles, a flour product bought as such can be boiled on it, but free flour takes a basin and board, and other cooking facilities, before the flour can be used. The Division was able to urge with some success that the rice ration should more nearly comply with the known standards of consumption.